

Packaging Management Council

Mixed and Low Level Waste (M/LLW) Container Procurement Strategy

Report - Part 1

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DOE NATIONAL TRANSPORTATION
PROGRAM



OAK RIDGE NATIONAL LABORATORY
U. S. DEPARTMENT OF ENERGY

M/LLW Report

- Developed by NTP-A Study Group
- Study Group was prompted by:
 - Container Working Group
 - Industrial Packaging Task Subgroup
 - Contract Reform and Privatization Project Office Study – 9/2001
 - Office of Inspector General Report on LLW Management Activities, 1992



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- Previous groups and reports recommended using a corporate approach to:
 - The procurement method of common containers
 - Standardizing container specifications
 - Standardizing supplier evaluation program



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- Survey was issued to 29 DOE sites through the M/LLW team
- Survey questions applied to:
 - Drums and steel boxes
 - Methods of procurement
 - Requirements/specifications
 - Qualifying suppliers
 - 2-Year demand



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■ Survey Results – Drums

- 100% response
- All sites performed their own procurement
- Only one site uses GSA schedules
- Each site performed or ensured their suppliers were evaluated, if required
- Each site produces their own requirements/specifications



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- Survey Results – Drums (cont.)
 - 27 of 29 sites utilize drums
 - 21 of 27 sites buy drums from one of three vendors
 - 2-year usage is 86,435 drums
 - 95% of drums are 30-, 55-, and 85-gallon CS, OH drums



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– 95% Drum breakdown

- 30-Gal, OH, CS, Type A Drums – 21%
- 55-Gal, OH, CS, “UN” Drums – 21%
- 55-Gal, OH, CS, UN/Type A Drums – 52%
- 85-GAL, OH, CS, UN/Type A Drums – 1.4%



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- Survey Results – Drums (cont.)
 - 9 different volumes
 - 4 different materials of construction
 - 3 different coatings
 - 4 different thickness of liners
 - Multiple “UN” ratings



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Drum Pricing

Category	Lowest Price	Highest Price	GSA Pricing
1. 30-gal, open-head, carbon steel, Type A drums	\$ 25.00	\$ 36.86	\$ 28.93
2. 55-gal, open-head, carbon steel, UN drums	32.00	72.25	36.15
3. 55-gal, open-head, carbon steel, UN/Type A drums	29.00	85.00	37.21
4. 85-gal, open-head, carbon steel, UN/Type A drums	54.45	107.10	60.57



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■ Potential Drum Savings based on GSA pricing

- \$272 K – 2 years
- \$1.36 M – 10 years
- 8.5%



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- Based on survey results, study group investigated procurement options of:
 - Maintain current practices
 - Procure through GSA schedules
 - Procure with DOD
 - Procure through DOE-negotiated prices



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- Study Group Recommendations
 - Establish a Center for Packaging to Coordinate:
 - Development of flexible, standard specifications based on sites needs
 - Supplier evaluations
 - Work with DOE procurement



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■ Study Group Recommendations:

- Establish a pilot program for drum procurement for 30-, 55-, and 85-gallon OH, CS drums
- Establish and implement a Supplier Evaluation Program as recommended by PMC
- Procure drums through GSA schedule
- Incorporate into Draft DOE Order 460.2 the use of GSA schedules and the supplier evaluation program
- Contractors should obtain the best transportation costs



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■ Implementation Barriers

- Program Office and Site resistance due to perceived loss of flexibility
- Potential problems pertaining to changing existing contracts
- Marginal increase in cost savings
- Unless contractually required, sites may want to continue to operate independently due to corporate liabilities and previously issued PAAA fines and violations

